

0974 California Pollution Control Financing Authority

The California Pollution Control Financing Authority (CPCFA) provides California businesses with a reasonable method of financing pollution control facilities and fosters compliance with government imposed environmental standards and requirements. Over the last thirty years, CPCFA has evolved to meet California's needs as follows:

- In the solid waste industry through its Pollution Control Tax-Exempt Bond Program.
- For small businesses through the California Capital Access Program (CalCAP).
- With the reuse and redevelopment of brownfields through the California Recycle Underutilized Sites Program (CALReUSE).
- With financial assistance to cities and counties in their community planning and development efforts through the Sustainable Communities Grant and Loan Program (SCGL).

The CPCFA consists of the State Treasurer (Chairperson), the State Controller, and the Director of the Department of Finance.

3-YR EXPENDITURES AND PERSONNEL YEARS

	Personnel Years			Expenditures		
	2009-10	2010-11	2011-12	2009-10*	2010-11*	2011-12*
10 Pollution Control Tax-Exempt Bond Program	3.0	2.8	2.5	\$2,301	\$2,279	\$2,392
20 California Capital Access Program for Small Businesses	0.5	1.6	1.5	353	7,350	1,500
30 California Recycle Underutilized Sites Program	17.0	17.9	18.1	13,216	14,588	17,600
40 Sustainable Communities Grant and Loan Program	0.5	0.5	0.4	407	400	400
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	21.0	22.8	22.5	\$16,277	\$24,617	\$21,892
FUNDING				2009-10*	2010-11*	2011-12*
0001 General Fund				\$-	\$6,000	\$-
0930 Pollution Control Financing Authority Fund				16,277	18,617	21,892
TOTALS, EXPENDITURES, ALL FUNDS				\$16,277	\$24,617	\$21,892

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Health and Safety Code Sections 44500-44563.

DETAILED BUDGET ADJUSTMENTS

	2010-11*			2011-12*		
	General Fund	Other Funds	Personnel Years	General Fund	Other Funds	Personnel Years
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Employee Compensation Adjustments	\$-	-\$100	-	\$-	-\$27	-
• Retirement Rate Adjustment	-	35	-	-	35	-
• Miscellaneous Adjustments	-	-	-	-6,000	3,202	-0.3
• Workforce Cap Adjustment	-	-52	-	-	-52	-
Totals, Other Workload Budget Adjustments	\$-	-\$117	-	-\$6,000	\$3,158	-0.3
Totals, Workload Budget Adjustments	\$-	-\$117	-	-\$6,000	\$3,158	-0.3
Totals, Budget Adjustments	\$-	-\$117	-	-\$6,000	\$3,158	-0.3

PROGRAM DESCRIPTIONS

10 - POLLUTION CONTROL TAX-EXEMPT BOND PROGRAM

The objective of this program is to provide bond financing to California businesses, irrespective of company size, for the acquisition, construction, or installation of qualified pollution control, waste disposal, water furnishing, wastewater treatment, waste recovery facilities, and the acquisition and installation of new equipment. CPCFA financing assists municipalities in complying with waste diversion mandates of the California Integrated Waste Management Act of 1989. As of June 30, 2010, bonds totaling \$12.7 billion have been issued by the CPCFA.

* Dollars in thousands, except in Salary Range.

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20 - CALIFORNIA CAPITAL ACCESS PROGRAM FOR SMALL BUSINESSES

The objective of this program is to encourage banks and other financial institutions to make loans to small businesses that fall just outside of conventional underwriting standards. CalCAP for Small Businesses is a form of loan portfolio insurance that may provide up to 100% coverage on certain loan defaults. By participating in CalCAP, lenders have available to them a proven financing mechanism to meet the financing needs of California's small businesses. The strength of CalCAP rests in its simplicity and its leverage of state funds. The program works through the creation of a loan loss-reserve fund for each participating financial institution. The CPCFA funds this reserve together with the financial institution and the borrower. The reserve serves to reduce loan-loss risk, allowing banks to lend to targeted California small businesses. Chapter 731, Statutes of 2010, appropriated \$6 million General Fund to CalCAP to increase lending efforts, especially in high unemployment areas. It is expected that the new funds will lead to a rapid and significant expansion of the CalCAP program. Additional incentives are provided to lend to businesses located in state-designated Enterprise Zones. CalCAP has partnered with the Air Resources Board to assist diesel truck and equipment owners in meeting new clean air requirements. CalCAP has partnered with the Department of Resources, Recycling and Recovery to assist recycling related businesses.

30 - CALIFORNIA RECYCLE UNDERUTILIZED SITES PROGRAM

This program assists with the reuse and redevelopment of underutilized properties with real or perceived contamination issues (brownfields). CALReUSE addresses a funding and information gap in the development of brownfields to help bring these properties into productive reuse. The CPCFA works with selected strategic partners to administer the program and select projects throughout the state. The CALReUSE Assessment Program provides forgivable loans of up to \$300,000 per brownfield site, or \$500,000 for sites that will ultimately result in housing. The funds assist with brownfield site assessment and characterization, technical assistance, remedial action plans and site access. Eligible projects include sites with potential beneficial reuse not currently redeveloped due to lack of information about real or perceived contamination, uncertainty about clean up costs, or concerns regarding time frames and the regulatory process. Priority is given to projects located in distressed neighborhoods with demonstrated community support. Additionally, Proposition 1C, the Housing and Emergency Shelter Trust Fund Act of 2006, included provisions to fund brownfield cleanup that resulted in the expansion of CALReUSE. The CALReUSE Remediation Program provides up to \$5 million in loans and grants for the purpose of brownfield cleanup that promotes infill residential and mixed-used development, consistent with regional and local land use plans.

40 - SUSTAINABLE COMMUNITIES GRANT AND LOAN PROGRAM

The objective of this program is to assist cities and counties to develop and implement sustainable development growth policies, programs, and projects. Sustainable Communities Grant and Loan Program has funded specific plans, portions of specific plans, alternative transportation studies, finance plans, redevelopment plans, engineering studies, public projects, and other projects that promote sustainable development principles.

DETAILED EXPENDITURES BY PROGRAM

		<u>2009-10*</u>	<u>2010-11*</u>	<u>2011-12*</u>
PROGRAM REQUIREMENTS				
10	POLLUTION CONTROL TAX-EXEMPT BOND PROGRAM			
State Operations:				
0904	Pollution Control Financing Authority Fund	<u>\$2,301</u>	<u>\$2,279</u>	<u>\$2,392</u>
	Totals, State Operations	\$2,301	\$2,279	\$2,392
PROGRAM REQUIREMENTS				
20	CALIFORNIA CAPITAL ACCESS PROGRAM FOR SMALL BUSINESSES			
State Operations:				
0904	Pollution Control Financing Authority Fund	<u>\$353</u>	<u>\$1,350</u>	<u>\$1,500</u>
	Totals, State Operations	\$353	\$1,350	\$1,500
Local Assistance:				
0001	General Fund	<u>\$-</u>	<u>\$6,000</u>	<u>\$-</u>
	Totals, Local Assistance	\$-	\$6,000	\$-
PROGRAM REQUIREMENTS				
30	CALIFORNIA RECYCLE UNDERUTILIZED SITES PROGRAM			
State Operations:				
0904	Pollution Control Financing Authority Fund	<u>\$13,216</u>	<u>\$14,588</u>	<u>\$17,600</u>
	Totals, State Operations	\$13,216	\$14,588	\$17,600

* Dollars in thousands, except in Salary Range.

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	<u>2009-10*</u>	<u>2010-11*</u>	<u>2011-12*</u>
PROGRAM REQUIREMENTS			
40 SUSTAINABLE COMMUNITIES GRANT AND LOAN PROGRAM			
State Operations:			
0904 Pollution Control Financing Authority Fund	\$407	\$400	\$400
Totals, State Operations	\$407	\$400	\$400
TOTALS, EXPENDITURES			
State Operations	\$16,277	\$18,617	\$21,892
Local Assistance	-	6,000	-
Totals, Expenditures	\$16,277	\$24,617	\$21,892

EXPENDITURES BY CATEGORY

	1 State Operations			Expenditures		
	Positions/Personnel Years			2009-10*	2010-11*	2011-12*
	2009-10	2010-11	2011-12			
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	21.0	22.8	22.5	\$1,197	\$1,254	\$1,282
Total Adjustments	-	-	-	-	-84	-
Estimated Salary Savings	-	-	-	-	-42	-42
Net Totals, Salaries and Wages	21.0	22.8	22.5	\$1,197	\$1,128	\$1,240
Staff Benefits	-	-	-	381	452	491
Totals, Personal Services	21.0	22.8	22.5	\$1,578	\$1,580	\$1,731
OPERATING EXPENSES AND EQUIPMENT				\$14,699	\$17,037	\$20,161
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$16,277	\$18,617	\$21,892

	2 Local Assistance		
	2009-10*	2010-11*	2011-12*
Grants and Subventions	\$-	\$6,000	\$-
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$-	\$6,000	\$-

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS	2009-10*	2010-11*	2011-12*
0930 Pollution Control Financing Authority Fund			
APPROPRIATIONS			
Government Code Section 17201	\$15,924	\$17,267	\$20,392
Government Code Section 17201 (California Capital Access Program for Small Business)	353	1,350	1,500
TOTALS, EXPENDITURES	\$16,277	\$18,617	\$21,892
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$16,277	\$18,617	\$21,892
2 LOCAL ASSISTANCE			
0001 General Fund			
APPROPRIATIONS			
Chapter 731, Statutes of 2010	-	\$6,000	-
TOTALS, EXPENDITURES	\$-	\$6,000	\$-
8501 California Capital Access Fund			
APPROPRIATIONS			

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2 LOCAL ASSISTANCE	2009-10*	2010-11*	2011-12*
Chapter 731, Statutes of 2010 (Transfer from the General Fund)	-	\$6,000	-
TOTALS, EXPENDITURES	\$-	\$6,000	\$-
Less funding provided by the the General Fund	-	-6,000	-
NET TOTALS, EXPENDITURES	\$-	\$-	\$-
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$-	\$6,000	\$-
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$16,277	\$24,617	\$21,892

CHANGES IN AUTHORIZED POSITIONS

	Positions/Personnel Years			Expenditures		
	2009-10	2010-11	2011-12	2009-10*	2010-11*	2011-12*
Totals, Authorized Positions	21.0	22.8	22.5	\$1,197	\$1,254	\$1,282
Furlough Adjustments	-	-	-	-	-44	-
PLP Adjustments	-	-	-	-	-40	-
Total Adjustments	-	-	-	\$-	-\$84	\$-
TOTALS, SALARIES AND WAGES	21.0	22.8	22.5	\$1,197	\$1,170	\$1,282

* Dollars in thousands, except in Salary Range.